

COMPTROLLER GENERAL OF THE UNITED STATES  
Washington 25

B-110004

June 19, 1952

Miss Jennie K. Hunt, Authorized Certifying Officer  
National Production Authority  
Department of Commerce

Dear Miss Hunt:

Reference is made to your letter of May 26, 1952, requesting decision whether you may certify for payment the pay roll voucher therewith transmitted proposing payment to Richard Hellman, in the gross amount of \$401.57, less retirement deductions and withholding tax, or a net amount of \$318.88, as salary for 87 hours service in GS-14 at \$9,600 per annum. It appears that Mr. Hellman was appointed March 7, 1951, as Commodity Industry Analyst, National Production Authority, by transfer from the Public Housing Administration. In connection with his appointment with the Industry Operations Bureau, it was agreed that he should be granted a one-year leave of absence beginning September 1951 to take advantage of a Fulbright Scholarship which had been awarded to him. It appears that by erroneously treating him in a travel status for a portion of the year, he was overpaid \$245.05. Aside from the overpayment, it appears that during the year, Mr. Hellman undertook, in addition to his scholarship studies, to conduct a scrap survey for the National Production Authority which he estimates took 157 hours of his time. This forms the basis for the payment now proposed. You request to be advised as to whether Mr. Hellman may be reimbursed for the services and you present the question whether such payment would be in contravention of his scholarship award.

The scholarship in this case was awarded pursuant to the act of August 1, 1946, 60 Stat. 754, which, briefly, authorizes the sale of surplus property to various foreign countries in which located, the consideration to be paid in currency of that country, among other things the act authorizes the use of such currency in providing scholarships for citizens of the United States in the respective countries. The awarding of the scholarship is under the jurisdiction of the Secretary of State and the Board of Foreign Scholarships set up under the statute. The copy of the grant of the award in this case, accompanying your submission, contains the following pertinent provisions:

"6. Full-time nature of the grant: Grants authorized under the Fulbright Act are made for the purpose of full-time study, research, teaching, or other educational activity. The acceptance of remunerative employment abroad, unless approved in writing by the Foundation, violates the conditions of this award.

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"15. Assistance from other Sources: No deduction will be made from the authorized allowances on account of dollar funds received by the grantee as sabbatical leave pay; benefits derived from the Servicemen's Readjustment Act of 1944 (P.L. 346, 78th Congress); Vocational Rehabilitation Act (P.L. 16, 78th Congress); private scholarships or fellowships, unless such grants cover all expenses, including travel. However, salaries or grants received in foreign currency during the tenure of the grant from foreign governments or institutions are deductible. Funds received in foreign currency as fees or honoraria from non-Fulbright sources may be deducted within the discretion of the Foundation, depending upon the merits of the individual case.

"16. Termination of grant: The Board of Foreign Scholarships and the Department of State reserve the right to revoke or terminate this grant, in their discretion, and to withhold payment of such allowances as have not been paid on the date of termination, as well as return transportation to the United States, should non-compliance with the provisions of the award warrant such action. Grounds upon which the Board of Foreign Scholarships and the Department of State may revoke this grant include, but are not limited to, the following: Violation of the laws of the United States or of the hostcountry, including currency exchange regulations; misconduct; failure to maintain satisfactory scholastic standing; failure to complete the grant because of voluntary termination, including premature departure from the institution of affiliation or the host country; physical or mental incapacitation; engaging in political propaganda, or unauthorized income-producing activities."

In view of the limited time involved in the grant and the fact that the payment to the grantee does not constitute salary but is rather for the purpose of covering the cost of living and other expenses incident to the scholarship, such grant cannot be considered an office within the purview of the act of July 31, 1894, 28 Stat. 205, against the holding of dual offices, and the receipt of payment for the survey conducted for the National Production Authority while drawing the allowance under the scholarship is not in violation of any of the dual compensation statutes. Whether or not it will violate the provisions of the grant appears to be a matter within the discretion of the Board of Foreign Scholarships and the Department of State as indicated in paragraph 16 of the grant, supra.

Accordingly, if the Board of Foreign Scholarships and the Department of State determine that the payment will not violate the grant, this Office would not be required to object to the certification of the voucher for payment, if otherwise correct, after deducting the prior overpayment, supra, if it has not been refunded at that time. The voucher is returned herewith.

Sincerely yours,

(Signed) LINDSAY C. WARREN

Comptroller General  
of the United States